Current account research

Annexe D of Personal current accounts in the UK – an OFT market study

Research report prepared for Office of Fair Trading

July 2008

OFT1005d
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1. OBJECTIVES AND METHODOLOGY

1.1 This report contains the findings from both quantitative and qualitative research conducted among consumers who have a PCA. In this chapter, the background and objectives are discussed, followed by the details of the methodology and sample.

1.2 N.B. Where figures do not add up to 100 per cent this is due to computer rounding, multiple answers or the exclusion of 'don't know' or refusal answer categories.

Background to the study

1.3 PCAs provide consumers with a range of key services. For example, they are used to receive salary and cheques, pay bills and make instant or regular payments without using cash, and provide immediate access to funds.

1.4 Around 90 per cent of households have a PCA.\(^1\) They are an integral part of our everyday lives and vital to the way in which we manage our finances.

Research objectives

1.5 This research has been carried out to support the analysis in the market study. In particular the research has been designed to examine in depth issues such as:

- Whether consumers are able to make informed choices and secure value for money.
- What factors affect how consumers make decisions about:
  - Which PCA provider to select,
  - How they manage decisions about their account once opened.

\(^1\) Ipsos MORI Financial tracking study 2007
• How they make decisions about switching between PCA providers, including their confidence in, and understanding of, the switching process.

• How consumers use different information sources, including price comparison sites, government/regulatory/consumer organisation advice, providers (internet, branches, telephone).

• How aware they are of their financial position.

1.6 What and how many other products they take out via the PCA and whether they shopped around for those additional products.

Methodology

1.7 Telephone interviews were conducted among consumers who have a current account.

1.8 Consumers were free-found using a Random Direct Dialling sample with quotas set on age, gender, region and income to ensure a representative spread of interviewing. Interviewing was conducted during August and September 2007. Some key demographics of the sample can be seen below:
Chart 1.1 - Sample profile – demographics (1)

**Gender**
- Male: 46%
- Female: 54%

**Age**
- 16-24: 11%
- 25-34: 17%
- 35-44: 18%
- 45-54: 19%
- 55-64: 19%
- 65+: 15%

**Social grade**
- AB: 26%
- C1C2: 50%
- DE: 22%

Base: All respondents (2074)

Chart 1.2 – Sample profile – demographics (2)

**Total household income**
- Less than £20,000: 33%
- £20,000-£39,999: 29%
- £40,000-£74,999: 29%
- £75,000+: 7%

**Internet access**
- Yes: 80%
- No: 20%

**Total household savings**
- Less than £1,000: 18%
- £1,000-£9,999: 24%
- £10,000-£44,999: 22%
- £50,000+: 19%

Base: All respondents (2074)
1.9 Respondents were interviewed for an average of 25 minutes using the questionnaire found at appendix 1. As part of the quantitative interview, all respondents were asked whether they would be prepared to take part in a subsequent interview and 40 were selected (details below) - again conducted over the telephone - to discuss a number of key issues in more detail. The discussion guide used as the basis for these in-depth interviews can be found at Appendix 2 of this report.

1.10 In total, 2074 interviews were conducted throughout Great Britain as part of the quantitative study. This included 126 additional 'booster' interviews among two specific types of consumers:

- Consumers who had taken out their first ever current account in the last 12 months (66 respondents)
- Consumers who had switched current account provider in the last 12 months (60 respondents)

1.11 Leads for the booster samples were provided from the Ipsos MORI Financial Services tracking study.

1.12 The booster samples ensure sufficient sample sizes to allow some basic analysis of these two groups. Data were weighted to ensure booster interviews did not skew the results from the main sample. Consumers whose main account was a joint account and had been opened by someone else were screened out of the research. This was because it would be impractical and frustrating to ask respondents questions on why decisions made by their partner were made.

1.13 Forty follow up depth interviews were conducted in total. The exact make-up of the sample is shown in Appendix 3, but in short, interviews were selected to ensure a mix of interviews among the following groups:

- New account holders - have opened their first ever account in the last 12 months
- Low income consumers (total annual household income of less than £20,000)
• Switchers - have switched primary PCA provider in the last year. This includes respondents who have kept their previous current account open

• Non-switchers - have never switched current account

1.14 Within these groups, consumers who had experienced charges and who used overdrafts were identified to allow us to probe their specific experiences.

1.15 All follow-up discussions were tape-recorded and transcribed with permission from the participant. Quotes from these interviews are included in this report with an attribute to indicate the respondent type identified above.

Interpreting data

1.16 Qualitative methods, such as depth interviews, are ideal for exploring complex issues and to elicit a full range of possible answers to explore whether respondents can be classified based on common characteristics or traits. The real value of qualitative research is that it allows further insight into the experiences of consumers and helps understand more fully their views and opinions. Qualitative research utilises smaller samples that are, where possible, chosen to ensure representation of a full range of views within the sample.

1.17 However, it must be remembered that qualitative research is designed to be illustrative and does not look to produce statistics, but to identify the range of views, opinions and experiences of, in this case, consumers. Throughout the report we have made use of verbatim comments to exemplify a particular viewpoint. It is important to be aware that these views do not necessarily represent the views of all participants.

1.18 Quantitative research among consumers is used to give more robust, statistical analysis of the consumers' experiences and usage. From a representative sample of 2074 adults, various sub samples of consumers have been identified for analysis purposes. For notes on
the statistical reliability of the quantitative interviews, please see Appendix A.

**Report outline**

This report is divided into four main sections following this introduction:

Personal Current Account (PCA) requirements

PCA usage

Shopping around/Searching for new PCAs

Conclusions
2 ACCOUNT HOLDER EXPERIENCES/ATTITUDES

General current account holding

2.1 Current accounts are the most widely held form of financial product. Over 90 per cent of the GB adult population has at least one current account:

Chart 2.1 – Proportion of population holding a current account

In general, multiple current account holdings are relatively scarce. The majority of consumers (62 per cent) have only one account, three-in-ten (30 per cent) said they had two accounts and around one-in-ten (9 per cent) said they hold three or more different current accounts. The qualitative research suggests that multiple account holding tends to be a result of three scenarios:

- Consumers who have a joint account with a partner as well as their own personal account
• Consumers who have switched provider and kept the old account open

• Consumers who have a different account for different purposes e.g. one account for personal finances, one for business.

2.2 Current account holding is spread across a wide variety of organisations, but the four companies with the largest brand share are Lloyds TSB, Barclays, RBS and HSBC.

Chart 2.2 – Current account holding

With which organisation do you hold your main current account?

- Lloyds TSB: 18%
- Natwest/RBS: 18%
- Barclays: 14%
- HSBC: 12%
- Halifax/BoS: 11%
- Nationwide: 5%
- Abbey (not Cahoot): 5%

Base: All current account holders (2074); all other providers less than 5%

2.2 A key objective of this research project is to examine the prevalence and nature of switching behaviour in the current account market. We will discuss this area of current account usage in more depth in subsequent sections of the report, but it is clear that the majority of consumers tend to stick with providers for a relatively long length of time. Sixty-four per cent of respondents have held their main account for more than 10 years and 45 per cent say that their main current account is the first one they ever had.
2.3 There is of course, some degree of switching and around a quarter of consumers (27 per cent) say the main account they use now was transferred from another provider.

2.4 As shown below, six per cent of those who say they have switched provider at least once, have transferred accounts in the last 12 months, 36 per cent in the last five years. Around half (53 per cent) of respondents who have switched account in the last five years, say they kept their old current account open after they had switched provider.
Chart 2.4 – Switching frequency

And when was the last time you switched provider?

- Never switched provider: 56%
- In the last six months: 2%
- More than 6 months ago up to a year ago: 3%
- More than a year ago, up to 2 years ago: 2%
- More than 2 years ago, up to 5 years ago: 5%
- More than 5 years ago, up to 10 years ago: 6%
- More than 10 years ago, up to 20 years ago: 9%
- 20 years ago or more: 7%
- Don’t know: *

36%* of switchers have switched in the last 5 years

*Figures may not add up due to rounding.

Types of accounts

2.5 Current accounts fall, broadly speaking, into three categories – basic, standard and packaged. Basic bank accounts do not have monthly fee and do not offer cheque books or overdrafts. Standard current accounts offer the option of having an overdraft and debit card, and are free as long as the account is in credit. A packaged account charges a regular fee for additional benefits, such as travel or mobile phone insurance. Seventeen per cent of respondents say they have a basic bank account, two thirds of respondents (66 per cent) say they have a standard account (a Free If In Credit account), and 14 per cent of consumers interviewed said their main account was packaged.

2.6 From our financial tracking study we know that packaged account holding is becoming increasingly common. Sixteen per cent of main current accounts opened in the last year were packaged accounts. They are especially popular among full-time workers (19 per cent of
The main benefits of packaged accounts appear to be the additional services they provide.

'After six months they offered to upgrade it, then I started getting all these services, so it was a good benefit for me.'

Switcher; Low income; Charged

But they do not appeal to everyone, and the qualitative research in particular revealed some scepticism for the added value they provide their customers.

'I can’t see any point in paying so much per month for a service you may or may not use.'

Low income; charged

Consumer awareness and understanding of their current accounts

Despite the importance of current accounts to our every day lives, consumers' awareness of some key aspects of their accounts appear to be unclear in a number of instances. General terms and conditions are provided at the time of account opening and often as part of subsequent mailings. The extent to which the terms and conditions are read or understood is however variable:

'Probably not as well as I should do [READING TERMS AND CONDITIONS], but I understand as much as I require to understand'

Low income

'Personally, I’m sure it’s very, very important and I should really read them, but [...] until something crops up, then I’m not likely to kind of look through them.'
Switcher

The way it basically worked. Although they give you the literature of the terms and conditions, it’s too much to read. There’s no real break down of the implications. The language is very legal, it can be confusing, with all the thees and thous and the first person and second person. It’s just what I could do, was the main influence of why I picked those accounts. It was what can I physically do with the account as I’m using it? Terms and conditions were literally not even a thought. They’re not the main reason why I would have a look at an account. As long as I knew the basic rules that if you go overdrawn you’re going to get charged, if you stay in credit, you’re not. That was all I needed to know.

Non-switcher; low income

2.10 Consumers’ awareness of unauthorised overdraft charges and interest rates is also patchy, depending largely on consumers' experiences and situation. Around a third (67 per cent) of consumers do not know the value of unauthorised overdraft charges on their account.

2.11 Consumers most likely to incur these charges were those permanently or usually in overdraft. Such consumers are more likely to know how much they would be charged, but a significant minority (39 per cent) still say they don’t know what they would be charged for going into unauthorised overdraft.

2.12 Even among those that have been charged in the last year for either going over an agreed overdraft limit, going overdrawn without an agreed overdraft or having a payment refused, around a quarter (26 per cent) still said they didn’t know what they would be charged for going into unauthorised overdraft.

2.13 Awareness of the exact level of interest on accounts is relatively low also. Seven-in-ten respondents (70 per cent) were unable to guess the
credit interest rate on their current account. Of those that did, only a quarter (26 per cent) said that they knew their response was correct.

2.14 Those consumers with lower household savings (less than £1,000) were less likely than average to know the interest on their main account, but were more likely than average to know the unauthorised account charges.

- In fact, among this group, awareness of unauthorised overdraft charges is higher than awareness of interest rates

- 85 per cent of those with household savings of less than £1,000 said they *didn’t know* the interest rate on their account

- Fewer - 51 per cent said they *didn’t know* the amount they would be charged for unauthorised overdraft

- There are also some differences in terms of age groups. Those consumers in the youngest age group (16-24 year olds) are less likely than other age groups - especially those aged 65+ - to know what the interest rate is on their current account

- 83 per cent of 16-24 year olds say they *don’t know* what their interest rate is compared to 62 per cent of those aged 65+

- Conversely, those in the 16-24 age bracket are more likely to know the level of charges for unauthorised overdraft on their account than other age groups:

- 57 per cent of 16-24 year olds say they *don’t know* what they are charged for going into unauthorised overdraft compared to 81 per cent of those aged 65+

2.15 The level of unauthorised overdraft charges was considered by many to be a relatively unimportant consideration when choosing a new PCA - when asked to rate the importance of unauthorised overdraft charges a third (33 per cent) of consumers gave an importance score of less than 5 (from a scale of 1-10 where one was not at all important and 10 was extremely important). The main reasons given for this lack of
importance were:

- I never have an overdraft (32 per cent)
- I don’t expect to go overdrawn (31 per cent)
- I don’t expect to exceed my authorised overdraft limit (19 per cent)

’I’ve no idea [what I would be charged] because fortunately we don’t incur charges.’

Non-switcher; not charged

Levels of satisfaction

2.16 Respondents were asked to rate different aspects of service on a scale from one to 10. On average, respondents rate highly their providers for customer service (7.86), fairness of treatment (7.70) and value for money (7.11). Only the fairness of charges receives a mean rating below seven on a 1-10 scale. It is worth bearing in mind however that as already established, a large proportion of consumers do not know the price of their bank charges

Chart 2.5 – Satisfaction with aspects of service

Please rate your main current account provider on a scale of 1 to 10 where one is very poor and 10 is very good for each of the following aspects?

- Fairness of charges: 6.18
- Overall value for money: 7.11
- Customer service: 7.86
- Treating you fairly overall: 7.70

Base: All current account holders (2074);
2.17 It is interesting to see the change in these ratings - particularly the fairness of charges score - among consumers who have experienced charges themselves. Satisfaction for all of these aspects tends, as you would expect, to be lower among this group. In particular, the fairness of charges rating drops considerably among:

- Those who have been charged for refusing a payment: 3.81
- Those who have been charged for exceeding an overdraft limit: 4.18
- Those who have been charged for going overdrawn: 3.76

2.18 The qualitative research highlighted the fact that satisfaction with current account provider is predominantly driven by negative experiences. Most consumers will be content with their providers as long as they don’t experience any problems.

'OK. And which characteristics of your current account are the most important, in terms of your overall views and satisfaction?'

Absence of surprises.'

Non-switcher

'My satisfaction is based on a negative appearance of complaints rather than a proactive one on their part.'

Switcher; low income

'when you make that decision as to whether you are satisfied or not what sort of characteristics do you take into account when you make that decision?'
They make all the payments on time, they seem to be efficient and things seem to run smoothly.'

Non-switcher

2.19 Later we will examine the concept of fairness which is of course linked closely to satisfaction with provider. Key aspects of 'fairness' for the account holder include communications and being treated as an individual.

The role of the bank

2.20 There appropriate, respondents were asked to consider the role of their bank and their current account - is the bank providing a service? Or is a current account something which we are entitled to? The majority response was that consumers' relationships with banks are a mutually beneficial arrangement - they the customer benefit from all the services that go with a current account - cash machines, security, cheques etc and the bank has an opportunity to make money from the funds they invest. This view seems to be shared across a wide range of consumers, including those on low incomes.

2.21 Most of the consumers in the qualitative interviews were opposed to the idea that banking is something that should be paid for generally. During a number of depth interviews the concept that current levels of bank charges may be necessary to fund free if in credit banking was introduced to respondents.

'If a bank is run properly, then I don't see any reason for monthly charges.'

Low income; charged

'I honestly do believe that current accounts should be free but if I had a surplus that wasn't being used, in that account and I knew that the banks were using that money, and they were earning interest on it, I don't see why I should be paying twice for my money.'
'They think they have a god given right to charge whatever they think is fair, so they can make a profit which is the bottom line, which are generally so unfair.'

Switcher; charged

'I am very much against fees for a current account, it goes against the whole history, and I think that the banks are very good at salami slicing a charge here and a charge there, and they have done very well out of it when you look at the bank’s profits recently, and I think then to get fees on current accounts is maybe the last slice of the salami'

Non-switcher

**Fairness**

2.22 The concept of fairness is one which has become increasingly high profile - certainly within the industry - and plays an important role in the treatment of customers.

2.23 Fairness is of great importance to the consumer as a concept. Almost universally, respondents interviewed during the qualitative stage made it clear they would leave a current account provider if they felt they were being treated unfairly. However it is less clear what consumers think constitutes fair treatment. Good, clear communications were often cited as a key aspect of what they would consider to be fair treatment...

'It has been fair that they set out at the beginning exactly what to expect in the way of treatment.'

Switcher; low income

'I assume they’d have to inform me of any proposed changes in conditions’

Non switcher; charged
2.24 .....as was a sense of being treated as an individual, being considered as an individual case and having your personal situation taken into account if charges do arise. The following respondent for example felt that their good track record should be taken into account if they were late in paying a credit card bill:

'I expect if there is some error because you’re a day late paying your credit card, given that you always pay it on time which I have been, I’d expect that sort of fairness.'

Switcher; overdraft

'what would you consider fair treatment?

A little bit more understanding, taking into consideration when my financial status is good and we look after our money fairly well but when something does go wrong it is either urgent or an accident, then we just get belted with a big charge or be treated in the manner which is not acceptable for a situation that is out of our control. So I would like them to be a little bit more understanding and have a bit more of a human heart about things.

So you would like them to consider you on the longer term instead of a few events?

Yes. Over a year they look back and they think right, what is this guy’s financial situation, he has never missed a payment and he has never gone over his overdraft, he has always paid his bills on time. OK today he has missed a payment and he has phoned us up said that I have got a problem so all right, then we don’t have to charge him with that. Just to take that into consideration, okay, if I am a repeat offender then sting me. I don’t plan to operate that way.'

Switcher; overdraft; charged
2.25 Most respondents in both the qualitative work and the quantitative interviews\textsuperscript{2} were happy they had been treated fairly by their current account provider. Those that had been charged were, unsurprisingly, more inclined to feel they had been treated unfairly. However, as will be explored in more detail in the charging section of this report, there seems to be as much of an issue with the timing of any charges imposed as with the amount of charges.

**PCA usage**

2.26 The basic function of a current account as a means of accessing funds is relatively similar regardless of provider or consumer - certainly among standard Free If In Credit accounts. However, the level of engagement and contact with provider varies a great deal between consumers. Broadly speaking, three groups of account holder can be identified from the qualitative research:

<table>
<thead>
<tr>
<th>Group 1</th>
<th>Group 2</th>
<th>Group 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unorganised, disengaged</td>
<td>Unorganised but aware</td>
<td>Savvy customers</td>
</tr>
</tbody>
</table>

- Group 1 – Unorganised, disengaged from financial affairs in general. For this group a current account is there to serve a basic function. They pay little attention to the balance of their account or how they manage their money. They have no interest in switching provider

- Group 2 – Less organised but aware of best practice. This group are quick to admit they pay less attention to their current account and the way in which they manage their money than they should. They are aware however of some forms of best practice

\textsuperscript{2} 78 per cent rated their main provider at least 7 out of 10 for treating them fairly overall.
• Group 3 – Savvy customers who manage their money with care and pay attention to other providers’ offers. Their careful/informed approach to money extends across their portfolio of financial products.

Savvy customer case study

Low income; No overdraft; Charged

Regularly checks balance on the internet; aware of charges and charging procedure; charged for a refused payment (cheque payment before the relevant deposit); Able to list monthly outgoings in detail and plans ahead:

’I’ve got a monthly cash flow just to make sure whatever’s in the account will cover whatever I think is going out, I transfer the balance either into my current account or out of my current account, depending on what the balance is.’

Keeps informed of new offers and changes in the current account market:

’First of all if you’re a member of Which?, they do tend to give you stuff on the money market, all sorts of things. But I also watch things on the television; there’s been quite a lot of stuff on the television, particularly on charges and on radio 4. And also there’s an internet site called, I don’t know if it’s Paul Lewis or Martin Lewis, he works for the BBC and has just gone independent and he has his own website called moneysavingexpert.com and he has loads of information. In fact I get a weekly newsletter from him.’

2.27 Just five per cent of our sample agreed that they are both always on the look out for a better deal and make a conscious effort to keep up-to-date with what other providers are offering. Their profile does not vary to any great degree from the population as a whole, although they are skewed slightly towards men, and social grade DE.

Interest forgone

2.28 The concept of interest forgone was explored in some detail during the qualitative interviews. Whilst not familiar with the term, it was clear that respondents tried to transfer excess funds to other savings vehicles such as savings accounts or ISAs in order to maximise the
interest they receive. Where this wasn’t carried out in practice – either due to a lack of motivation or a lack of funds – respondents were at least aware that this was something they should be doing. Even disengaged consumers (group one in our example above) were aware on a basic level that they could earn more interest on a savings vehicle than a current account.

‘You shouldn’t have money you don’t need sitting in a current account earning nothing.’

Non-switcher; overdraft

Joint accounts

2.29 Joint accounts are common as either a main or as a supplementary current account. Thirty-two per cent of respondents hold a joint account which they opened themselves. Often joint account holders will hold an account of their own in addition to a joint account. In these cases, there was no evidence that consumers had any more difficulty keeping track of finances in their joint account than they did with a single account of their own. In fact it there was a suggestion that having a joint account had forced couples to actively organise their finances between accounts - they had become more engaged with the management of their finances.

Statements

2.30 Most consumers (88 per cent) receive their statements in paper form, whilst a fifth (21 per cent) consults their statements online. Statements are read thoroughly by two thirds (66 per cent) of respondents but consumers are less likely to pay attention to the additional information contained within the statements - 21 per cent say they always read other material they receive from their bank, while 35 per cent say they read it sometimes.

Channels

2.31 The branch is an important aspect of personal banking – it is the most widely used method of contact and, as we will see later in the report, the location of the branch is often cited as the key factor when
choosing an account. However, the extent to which PCA customers actually visit a branch varies a great deal.

Chart 2.6 – Channel usage

And how often would you say you currently use In-branch banking?

- Every day
- Two or three times a week
- Once a week
- Less than once a week but at least once a month
- Less than once a month but at least once every six months
- Less than once every six months but at least once every year
- Less than once a year
- Never
- DK

Base: All current account holders (2074)

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Every day</td>
<td>7%</td>
</tr>
<tr>
<td>Two or three times a week</td>
<td>7%</td>
</tr>
<tr>
<td>Once a week</td>
<td>20%</td>
</tr>
<tr>
<td>Less than once a week but at least once a month</td>
<td>39%</td>
</tr>
<tr>
<td>Less than once a month but at least once every six months</td>
<td>19%</td>
</tr>
<tr>
<td>Less than once every six months but at least once every year</td>
<td>2%</td>
</tr>
<tr>
<td>Less than once a year</td>
<td>2%</td>
</tr>
<tr>
<td>Never</td>
<td>6%</td>
</tr>
</tbody>
</table>

Mean number of visits per month = 2.35

* i.e. Less than once a week but at least once a month

2.32 Whilst most consumers visit a branch at some stage, there is a minority (six per cent) who say they never visit a branch. This channel is used 2-3 times a month on average - a figure that varies little across account holdings and income groups.

2.33 Branches are mainly used to deposit cheques (48 per cent of respondents who said that they visited their branch said that it was for this reason), deposit money (45 per cent) and withdraw money (35 per cent), but vital to their importance for the customer is the fact they provide a face-to-face service. This face-to-face contact is valued not only for the everyday services listed above, but perhaps more importantly the branch provides someone to talk to if things go wrong.

*If there was a problem [...], I would like to speak to them in person.*

Switcher; low income
'I like to deal with people and it’s nice to be able to go in and talk to somebody if you have some question that needs explaining.'

Non-switcher; overdraft

The branch is obviously not the only banking channel...

'I wouldn’t have a clue where the nearest branch is.'

Low income; charged

2.34 **Telephone banking**, although less frequently used than branch banking, nevertheless provides an important method of contact. Over half (55 per cent) of respondents use telephone banking to some extent, 12 per cent say they use it at least once a week.

2.35 **Internet banking** is an increasingly popular method of banking and whilst around a half of consumers (48 per cent) say they never use internet banking, those that do tend to use it, have a higher frequency of contact than branch customers or telephone banking customers. In fact, around a third (36 per cent) of consumers use internet banking at least once a week and one-in-ten (10 per cent) use it everyday (see chart below).

2.36 Perhaps, unsurprisingly, internet banking is less popular among older age groups who are in general less familiar with the internet - 79 per cent of consumers aged 65 or over never use internet banking. The qualitative research suggests that older age groups in particular prefer the face-to-face contact provided by the branch.

‘Paying bills, yes. OK. And are there any other channels that you have any contact with your branch through?

You mean, such as?

*It might be telephone, or internet, or written.*
No.
No, so, do you?

I'm a face to face person.'

Non-switcher, charged, overdraft, 55+

Chart 2.7 – Channel usage

And how often would you say you currently use Telephone/Internet banking?

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Telephone</th>
<th>Internet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Every day</td>
<td>1%</td>
<td>10%</td>
</tr>
<tr>
<td>Two or three times a week</td>
<td>5%</td>
<td>14%</td>
</tr>
<tr>
<td>Once a week</td>
<td>6%</td>
<td>12%</td>
</tr>
<tr>
<td>Less than once a week but at least once a month</td>
<td>10%</td>
<td>16%</td>
</tr>
<tr>
<td>Less than once a month but at least once every six months</td>
<td>3%</td>
<td>13%</td>
</tr>
<tr>
<td>Less than once every six months but at least once every year</td>
<td>2%</td>
<td>7%</td>
</tr>
<tr>
<td>Less than once a year</td>
<td>1%</td>
<td>7%</td>
</tr>
<tr>
<td>Never</td>
<td>*</td>
<td>45%</td>
</tr>
<tr>
<td>DK</td>
<td>*</td>
<td>48%</td>
</tr>
</tbody>
</table>

Mean number of visits per month:
Telephone: 1.4
Internet: 5.0

Base: All current account holders (2074)

2.37 As illustrated in the chart below, higher income consumers are more likely to use internet banking than those on lower household incomes.
2.38 Of course, banking channels are not used in isolation. Most consumers (71 per cent) say they use a combination of channels. A third of consumers (33 per cent) say they make use of all three banking channels to some degree and there are very few who say they only use telephone banking (two per cent) or only use internet banking (one per cent).

**Use of and attitudes towards overdrafts**

2.39 Three quarters of consumers who potentially have the option of an overdraft\(^3\) (77 per cent) say they have an authorised overdraft facility on their main account. This figure is higher among ABC1s (81 per cent) and lower at 67 per cent among social grade DE - it is however relatively stable across subgroups of consumers.

2.40 The frequency with which they are used however varies to a much greater extent. Six-in-ten (60 per cent) of overdraft holders use their overdraft to some extent - 40 per cent say they don’t use them at all. The frequency of use is greater among:

\(^3\) All current account holders excluding basic account holders
• DEs
• Consumers with a household income of less than £10,000
• Low savings consumers (less than a £1,000 savings)
• Younger age groups

2.41 In fact, 13 per cent of DEs and 12 per cent of those with a household income of less than £10,000, say they live in overdraft compared with seven per cent overall.

Chart 2.9 – Overdraft usage – all who use their overdraft

And thinking about your overdraft on your main current account, which of the following would you say best applies to you? - % who are at least rarely overdrawn

- Age
  - All: 60%
  - 16-24: 72%
  - 25-34: 76%
  - 35-44: 70%
  - 45-54: 60%
  - 55-64: 51%
  - 65+: 29%

- Household savings
  - Less than £1,000: 78%
  - £50k+: 42%

- Account type
  - Free-if-in-credit account: 57%
  - Packaged account: 73%

Base: All with an authorised overdraft facility (1302)

---

4 See question 9 of the survey: options about overdraft usage were permanently, usually, sometimes, rarely and never.

28 Current account research July 2008
2.42 The research identifies a number of general groups of overdraft holders. These can be scaled from non-users (often out of principle) through reluctant or 'safety net' users, occasional users and up to reliant users.

2.43 The in-depth interviews in particular identified two different types of consumers within the non-user group.

2.44 Firstly consumers with a fundamental dislike of borrowing generally or a dislike of overdrafts in particular

'I am opposed to them philosophically. I don’t like to spend money I don’t have.'

Switche

'I don’t do debt, that’s why I don’t have a credit card. I don’t do overdrafts, cheque books, nothing like that.'

Switche

2.45 And secondly consumers who have had an overdraft set-up by their bank but have no need for it

'It was just offered automatically.'

Non-switcher

'It was a just in case situation. I had the opportunity to have it; it wasn’t going to cost me anything so I took advantage of it.'
Low income

Other overdraft holders use them as a safety-net for their everyday spending.

'It’s kind of different phases in your life really. Certainly when I wasn’t working, when, I had the children, I’m not currently working at the moment, so I’m all prepared for the statement to come in when it does next week to say that yes, we are in the overdraft. But yes, I think really, it’s when for whatever reason, your regular income is reduced.’

Switcher; overdraft

'Yes, ok. Do you use it for anything in particular, or is it just a general, sort of safety net? How do you use it?'

'It’s a general safety net.'

Non-switcher; charged

It was free and for nothing or, you know, they actually said you can have an overdraft at a given rate if you want it so I thought ok I’ll have that facility, I don’t think I’ll ever need it but it’s nice to know it’s there if I did.

Low income

For some however, their overdraft is far more fundamental to their financial situation.

<table>
<thead>
<tr>
<th>Overdraft-reliant customer case study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low income; Charged; has Overdraft facility</td>
</tr>
</tbody>
</table>

Respondent was disabled and on benefits. Is always in overdraft and now considers an overdraft of £800 to be the equivalent of a zero balance.
Interest in overdrafts as a borrowing facility

2.46 The appeal of overdrafts as a means of borrowing money for specific goods was varied. For some they represented a cheaper method of borrowing money than some other alternatives

‘The overdraft is cheaper than the credit card if you ever want to extend your credit’

Low income; overdraft

2.47 For others there was a feeling that overdrafts aren’t meant for those sorts of purchases and other methods, with structured repayment plans, are more appropriate.

I think the kind of danger with an overdraft is to maybe get a bit carried away with it. And then to actually find it very difficult to get back in credit again, whereas if you’ve got a personal loan, ideally, from my point of view, I know exactly how much is going out every month to repay that loan, and I know that I’m going to repay that loan in a specified amount of time.
Unauthorised overdrafts

2.48 A key aspect of the research was to examine the extent to which consumers go into unauthorised overdraft either by exceeding their agreed overdraft limit or, where they do not have an overdraft, by going directly into unauthorised overdraft. In total, almost a quarter of consumers (24 per cent) have gone into unauthorised overdraft in the last 12 months.

Chart 2.10 – Exceeding overdraft limits - proportions of consumers who have either exceeded their agreed overdraft limit or gone overdrawn without an unauthorised overdraft

2.49 The incidence of going into unauthorised overdraft varies little between consumers with an overdraft facility and those without:

- Almost a quarter (23 per cent) of consumers with an overdraft facility has exceeded their limit on at least one occasion in the last year.
• Around a quarter (26 per cent) of respondents who do not have an agreed overdraft limit says they have gone overdrawn in the last 12 months.

**Chart 2.11 – Use of unauthorised overdrafts**

And how many times, if at all, would you say you have exceeded your authorised overdraft limit/been overdrawn in the last 12 months? – Mean number of times per month

<table>
<thead>
<tr>
<th>Frequency</th>
<th>All with an authorised overdraft</th>
<th>All without an overdraft</th>
</tr>
</thead>
<tbody>
<tr>
<td>Once in the last 12 months</td>
<td>10%</td>
<td>7%</td>
</tr>
<tr>
<td>2 or 3 times in the last 12 months</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>4 to 10 times in the last 12 months</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>More than 10 times in the last 12 months</td>
<td>2%</td>
<td>5%</td>
</tr>
<tr>
<td>I haven’t exceeded my overdraft limit in the last 12 months</td>
<td>77%</td>
<td>73%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>0%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Base: All with an authorised overdraft facility (1302); all without an overdraft (721)

2.50 The absence of a buffer to absorb unexpected outgoings or unexpected reductions in income is a key contributing factor to these instances. Those respondents with savings of less than £1,000 are much more likely than average to exceed their overdraft limit:

• Forty-eight per cent of 'low savings consumers' (those with household savings of less than £1,000) without an agreed limit have gone overdrawn in the last 12 months (compared to 27 per cent among consumers as a whole).

• Forty-eight per cent of 'low savings consumers' who have agreed an overdraft limit have exceeded that limit in the last 12 months (compared to 23 per cent among consumers as a whole).

2.51 A similar pattern can be seen among customers who have had payments refused due to insufficient funds (see below). Fifteen per cent of consumers have had a payment refused because of insufficient
funds in the last 12 months. This is the case for 36 per cent of consumers with low savings (less than £1,000). Among basic bank account holders, this figure increases to 23 per cent.

Chart 2.12 – Refused payments

2.52 In relation to exceeding overdraft limits, income is less of a differentiator than savings, with a similar proportion of low income groups exceeding their overdraft limits/having payments refused as other income groups. However, the frequency of exceeding overdraft limits is marginally higher among the lower income groups.

Prevention: steps being taken to avoid being overdrawn

2.53 Not all consumers are in a position where they are able to avoid using their overdrafts. For other consumers however, they do take steps to avoid using their overdraft if possible. Generally speaking, this tends to involve keeping a close eye on their balance and, crucially, factoring in the effect of any potential outgoings.

‘So what steps do you take to prevent your account going overdrawn?'
I am very careful monitoring the money I have. Budgeting and not living outside my means.'

Switcher; low income

2.54 Respondents who have been charged by their bank indicated their behaviour had altered as a result of being charged. They had become far more cautious and have kept a closer eye on their balance/finances. Charges have, in effect, led to consumers taking more care over their finances.

'OK. The fact now that you know that you do get charged; has that changed the way you use your account?

Yes, very much so, yes.

In what way?

Well I'm more careful with my money.'

Non-switcher; charged

2.55 For some however, the only answer to bank charges is to increase their overdraft limit or transfer the charges onto other forms of debt.

'I don't want to pay £35 every time they bounce the direct debit. I'd much rather, before we get to that stage, we actually contact them with a view to increasing our overdraft.'

Non-switcher; charged; overdraft

I did have yes. I had a lot of financial difficulty and I had to pay it back as well so I had to go in and I had to agree with them to up my loan and put the charges onto the loan because I couldn't afford to pay them back.
Reasons for going overdrawn

2.56 The most common reason for exceeding overdraft limits (including going overdrawn without an overdraft) is not checking the account (19 per cent of those that have exceed overdraft limits in the last 12 months give this as a reason for doing so. Other common mentions include forgetting about payments (13 per cent); expecting a payment that didn’t come and a number say they were aware it would happen, but had to make the payment (nine per cent).

Application of charges

2.57 In instances where people are liable to incur unauthorised overdraft charges, the extent to which the charges are applied varies somewhat. In the last year:

- 86 per cent of respondents who were refused a payment for insufficient funds were charged.
- 75 per cent of respondents who exceeded an agreed overdraft limit were charged.
- 61 per cent of respondents who do not have an overdraft facility and went overdrawn were charged on this last or some other occasion.

2.58 Clearly, in some cases, banks are choosing not to apply charges.

'I had a mortgage and the mortgage people took two months out in the same month and the bank waved the charge on that occasion.’

2.59 We found in the qualitative research that many consumers who had been charged by their current account provider had been excused payments under similar circumstances in the past. In some cases this
made it difficult to understand under what circumstances the charges would be applied and under what circumstances the charges might be waived.

'I think, depending on how big the deficit was, they might write to us and say there was insufficient funds to pay this direct debit, however on this occasion, we have paid it. But if they weren’t going to pay it, you didn’t actually get any warning in advance. They would tell you after the event.'

Non-switcher

2.60 Overall, 19 per cent of consumers have been charged by their bank for either going overdrawn without an overdraft, exceeding an agreed overdraft limit or having a payment refused. Of these, savings seem to be the key determinant, with 43 per cent of those charged having household savings of less than £1,000.

**Warnings around charges**

2.61 As mentioned above, there appeared to be a lack of understanding from the customer as to why charges are applied in some instances and not in others.

'I think, depending on how big the deficit was, they might write to us and say there was insufficient funds to pay this direct debit, however on this occasion, we have paid it. But if they weren’t going to pay it, you didn’t actually get any warning in advance. They would tell you after the event.'

Non switcher; low income

2.62 Indeed there is a relatively sizeable proportion of consumers who have been charged who were unaware of a charge before it was applied (24 per cent), and a sizeable proportion (46 per cent) who say they received no prior warning from their bank that they would be charged.
These awareness and warning findings are broken down further in the chart below which illustrates findings for both measures among those that have been charged in the last 12 months for:

- Attempting to make payments with insufficient funds.
- Exceeding an agreed overdraft.
- Going overdrawn without an agreed overdraft.

**Chart 2.13 – Awareness of charges/warning about charges**

### Awareness of charges

<table>
<thead>
<tr>
<th>Charge Description</th>
<th>Aware of charges before charged</th>
<th>Told of charges before they were applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attempting to make payments with insufficient funds</td>
<td>69%</td>
<td>43%</td>
</tr>
<tr>
<td>Exceeding agreed overdraft limit</td>
<td>77%</td>
<td>45%</td>
</tr>
<tr>
<td>Going overdrawn without an overdraft</td>
<td>68%</td>
<td>52%</td>
</tr>
</tbody>
</table>

### Warning about charges

<table>
<thead>
<tr>
<th>Charge Description</th>
<th>Aware of charges before charged</th>
<th>Told of charges before they were applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attempting to make payments with insufficient funds</td>
<td>27%</td>
<td>48%</td>
</tr>
<tr>
<td>Exceeding agreed overdraft limit</td>
<td>22%</td>
<td>48%</td>
</tr>
<tr>
<td>Going overdrawn without an overdraft</td>
<td>29%</td>
<td>43%</td>
</tr>
</tbody>
</table>

Base: All who have been charged for attempting to make payments with insufficient funds (244); charged for exceeding authorised overdraft limit (219); charged for going overdrawn without an overdraft (116)

2.63 It was felt by a number of respondents that it was unfair to impose a charge at a time when they were clearly struggling financially.

‘£30 is almost like they are cashing in on my hard times which again, like I was saying about the charges making the situation worse, it seems in a way like a slightly sick way of treating you. Kicking you when you’re down.’

Low income; charged
Amount charged

2.64 The total value of the charges over the course of the last year has, in some cases, amounted to over £300. The distribution of amounts charged over the last year is illustrated below:

Chart 2.14 – Refused payments

![Chart showing distribution of amounts charged]

How much in total would you say you have been charged by your bank for exceeding your authorised overdraft limit/attempts to make payments with insufficient funds in the last year? Would you say it was...

- Under £50: 30% charged, 38% don't know
- £51 - £100: 25% charged, 26% don't know
- £101 - £200: 17% charged, 12% don't know
- £201 - £300: 7% charged, 7% don't know
- More than £300: 19% charged, 12% don't know
- Don't know: 10%

Base: All who have been charged for attempting to make payments with insufficient funds (244); charged for exceeding authorised overdraft limit (219)

2.65 For consumers that are charged more than once, the annual value can soon start to build up. Even relatively savvy customers can receive multiple charges very quickly.

And the couple of times I have gone overdrawn then I think it's something like £30 for going overdrawn then there's an additional charge for... there's a letter, if you actually go overdrawn because of the direct debit and they put the direct debit through as well. Two different charges.

So are you aware of those charges? You mentioned £30.
The first time I knew I’d be charged, but I wasn’t aware, I hadn’t realised just how much I’d be charged. I thought I’d be charged maybe £15 or £20 in total, but they walloped me with something like £70 in total.

Low income; charged

2.66 In some cases, keeping track of charges can prove difficult. Particularly for the less savvy consumers who lack the time or the understanding to do so.

Alright and do you think it was easy for you to keep track of the charges?

No.

Why not?

Because they put them through the account at an awkward time of the month, I found they put them through at like the third week of the month, you know it wasn’t at the end, it wasn’t at the beginning where I had everything dealt with as a rule, they put them through a few weeks later you know, so it would mess up my finances.

Low income, charged

At the present moment, I would have no clue what charges they were attributing to going overdrawn or bad cheques etc. I just wouldn’t know because I don’t have a basic outline of what charges there are.

Non-switcher
Refunding charges

2.67 Less than half of respondents that had been charged either for having a payment refused due to insufficient funds (39 per cent) or for exceeding their overdraft limit (35 per cent)\(^5\) asked for a refund from their current account provider for their most recent charge.

Chart 2.15 – Requesting funds

Thinking again about the last time you were charged by your bank for exceeding your overdraft limit/attempting to make payments with insufficient funds, did you ask your bank to refund these charges?

<table>
<thead>
<tr>
<th>Description</th>
<th>Respondents who asked for a refund</th>
<th>Respondents who didn’t ask for a refund</th>
</tr>
</thead>
<tbody>
<tr>
<td>No I didn’t ask for a refund</td>
<td>61%</td>
<td>64%</td>
</tr>
<tr>
<td>Yes - at the time of the charges/shortly after I was charged</td>
<td>32%</td>
<td>28%</td>
</tr>
<tr>
<td>Yes - but a while after the charges were made</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Base: All charged for attempting to make a payment with insufficient funds (244)/exceeding an authorised overdraft limit (219);

2.68 Of respondents who did choose to request a refund, around half (50 per cent for refused payment charges and 56 per cent for exceeding their overdraft limit) have obtained at least a part refund. It seems that taking the time to query a charge can, in a notable proportion of cases, bear fruit.

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\(^5\) There was no equivalent question asked among respondents who went into overdraft without an authorised overdraft limit.
Fairness of charges: existence, amount, warning

2.69 Interestingly, the qualitative research threw up some divisions over the fairness of charges. Certainly there was a perception that charges are a necessary deterrent...

‘You’ve got to have some disincentive; otherwise people would just go overdrawn at the drop of a hat’

Low income; charged

...but there were some strong feeling over the value and timing of the charges.

2.70 There appears to be a widely held conviction that charges are excessively high, both in relation to the costs they are designed to cover...

‘Oooh, this is difficult. I suppose it does seem a lot. The thing is I suppose I’m influenced by all the publicity about it, but up until all the publicity about bank charges, I would have thought 'Oh, gosh, £35, but that’s the price you pay for not handling your finances better'. You know, they’re going to penalise you in some way or another, but because they’ve highlighted recently, that an adequate charge for sending you out a letter saying that your direct debit has not been paid should only be About £12, you then think 'Wow! £35 is a lot of money, they’re making a lot of money out of me'.

Non-switcher; charged

2.71 And in relation to the level of the charge
'I know they’re not fair [...], there is no way it costs £30 to write a standard letter'

Low income; charged

'You hear these tales of them owing [...] an overdraft of £13, over the course of time, move into hundreds of pounds. Which really can’t be fair, can it?’

Low income; charged

2.72 The role of the media in forming this opinion was acknowledged on a number of occasions throughout the qualitative depth interviews and some respondents now view charges which previously they hadn’t questioned as being excessive.

2.73 For others, predominantly those that have experienced charges, it is not only the amount that they take issue with. As mentioned, it is the burden of receiving additional charges at precisely the time a customer is having financial difficulties that is considered unfair.

Shopping around/searching for new accounts

Choice of provider

2.74 Initial choice of provider is driven by some key factors. The branch location is key to the decision, not only from the point of view of providing a point of ongoing contact as discussed previously, but also from the point of view of ease of opening the account.
Chart 2.16 – Key considerations when opening main account

I’d now like you to think about what you took into consideration when you opened your main current account. What factors would you say were most important to you when deciding which current account provider to use?

<table>
<thead>
<tr>
<th>Consideration</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branch near where I lived/worked</td>
<td>29%</td>
</tr>
<tr>
<td>Recommended by friends/family</td>
<td>11%</td>
</tr>
<tr>
<td>Partner/other family had an account there</td>
<td>11%</td>
</tr>
<tr>
<td>Range or products/services</td>
<td>9%</td>
</tr>
<tr>
<td>Already had an account/mortgage there</td>
<td>8%</td>
</tr>
<tr>
<td>Lower charges</td>
<td>7%</td>
</tr>
</tbody>
</table>

Base: All current account holders (2074)

2.75 Twenty-nine per cent of respondents considered the location of the branch when choosing their main current account provider, 24 per cent considered different aspects of account features, and 23 per cent considered forms of recommendations. Clearly, the branch location has historically been a key consideration when choosing a current account provider. However it appears to becoming a less important factor as shown in the chart below:

- Branch location is identified as a key consideration by 35 per cent of those that opened their account more than 10 years ago.

- But by only 10 per cent of respondents who opened their main account in the last year.
I’d now like you to think about what you took into consideration when you opened your main current account. What factors would you say were most important to you when deciding which current account provider to use?

Base: All current account holders (2074); account opened in the last 12 months (172); account opened more than 10 years ago (1274)

2.76 The range of products and services available however appears to be becoming a more important factor in PCA choice, with 16 per cent of those opening an account in the last 12 months identifying this as a key consideration compared to just six per cent of those that opened their account ten years ago.

2.77 Recommendations were particularly important for 16-24 years olds who have less experience dealing in financial matters and this was mirrored among first time consumers in general (35 per cent).

2.78 In contrast, consumers who switched from one provider to another are less inclined to rely on recommendations (17 per cent) and are far more likely to have been influenced by account features (52 per cent) than first timers (27 per cent).
Chart 2.18 – Key considerations when opening main account – recent switchers vs. first ever account holders

I’d now like you to think about what you took into consideration when you opened your main current account. What factors would you say were most important to you when deciding which current account provider to use?

<table>
<thead>
<tr>
<th>Consideration</th>
<th>All</th>
<th>Switchers</th>
<th>First ever account</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branch near where I lived/worked</td>
<td>29%</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Recommended by friends/family</td>
<td>11%</td>
<td>10%</td>
<td>17%</td>
</tr>
<tr>
<td>Partner/other family had an account there</td>
<td>11%</td>
<td>17%</td>
<td>20%</td>
</tr>
<tr>
<td>Range or products/services</td>
<td>20%</td>
<td>9%</td>
<td>11%</td>
</tr>
<tr>
<td>Lower charges</td>
<td>7%</td>
<td>5%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Base: All current account holders (2074); switched in the last 12 months (60); First ever account in last 12 months (66)

2.79 The qualitative interviews identified a similar split in what features people had used to choose a current account provider and what factors they would use to choose a provider if they were to switch.

2.80 Respondents who were opening their first ever account (or had an account that was opened a long time ago) in particular seemed likely to have relied on recommendations from friends and families to a greater degree. The process of choosing a current account (although not necessarily opening one) is thought to have become more complicated over time in terms of the choice of providers in any one locality, variations in types of accounts and features on offer and variations in service channels.

'Why did you choose just the basic?'

---

6 NB. Switchers defined as all who have switched their main account in the last 12 months - does not include those that have opened their account in addition to an existing account.
We didn’t have any other options in those days. You just put your money into the account and you just went in there, we paid our mortgage through it, all the bills. In fact, we pay everything really that we can pay by direct debit.’

Non-switcher, overdraft

‘In the happy days of 1961 [...] with the struggles you had to open an account in those days [...] you went and opened an account where your parents had one.’

Non-switcher; charged; overdraft

2.81 As well as capturing reasons for choice on existing main accounts, the quantitative interviews measure the relative importance of various aspects when thinking about opening a new main current account. 'Customer Service' and 'Easy Access to a local branch' are given top importance scores, but interest rates also score relatively highly despite the fact few (seven per cent) identified competitive interest rates as a key consideration when choosing the current account they have now (the top answer being location of provider, on 29 per cent).
Chart 2.19 – Relative importance of bank attributes – mean scores on 1-10 scale (1)

I would now like you to imagine that you are thinking about opening a new main current account. For each of the following, please tell me how important each aspect would be to you when choosing a new main current account.

Please use a scale from one to ten where 10 is extremely important and 1 is not at all important.

<table>
<thead>
<tr>
<th>Not at all important</th>
<th>1</th>
<th>2-3</th>
<th>4-7</th>
<th>8-9</th>
<th>Extremely important</th>
<th>% Don't know</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard of customer service</td>
<td>1%</td>
<td>12%</td>
<td>37%</td>
<td>49%</td>
<td></td>
<td></td>
<td>8.83</td>
</tr>
<tr>
<td>Easy access to a local branch</td>
<td>2%</td>
<td>3%</td>
<td>18%</td>
<td>30%</td>
<td>47%</td>
<td></td>
<td>8.41</td>
</tr>
<tr>
<td>Interest rate when balance is in credit</td>
<td>3%</td>
<td>4%</td>
<td>30%</td>
<td>31%</td>
<td>30%</td>
<td>1%</td>
<td>7.65</td>
</tr>
<tr>
<td>Good range of services</td>
<td>3%</td>
<td>3%</td>
<td>33%</td>
<td>33%</td>
<td>28%</td>
<td>1%</td>
<td>7.62</td>
</tr>
<tr>
<td>Good/clear switching procedures</td>
<td>5%</td>
<td>4%</td>
<td>30%</td>
<td>32%</td>
<td>26%</td>
<td>3%</td>
<td>7.41</td>
</tr>
<tr>
<td>Able to use Internet banking</td>
<td>20%</td>
<td>9%</td>
<td>20%</td>
<td>18%</td>
<td>31%</td>
<td>1%</td>
<td>6.26</td>
</tr>
</tbody>
</table>

Base: All respondents (2074)
Chart 2.20 – Relative importance of bank attributes – mean scores on 1-10 scale (2)

I would now like you to imagine that you are thinking about opening a new main current account. For each of the following, please tell me how important each aspect would be to you when choosing a new main current account.

Please use a scale from one to ten where 10 is extremely important and 1 is not at all important.

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Not at all important</th>
<th>2-3</th>
<th>4-7</th>
<th>8-9</th>
<th>10</th>
<th>% Don’t know</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorised overdraft interest rates</td>
<td>13%</td>
<td>9%</td>
<td>37%</td>
<td>22%</td>
<td>16%</td>
<td>3%</td>
<td>6.08</td>
</tr>
<tr>
<td>Able to use telephone banking</td>
<td>15%</td>
<td>11%</td>
<td>31%</td>
<td>21%</td>
<td>21%</td>
<td>1%</td>
<td>6.05</td>
</tr>
<tr>
<td>A recommendation</td>
<td>9%</td>
<td>8%</td>
<td>49%</td>
<td>23%</td>
<td>9%</td>
<td>3%</td>
<td>6.00</td>
</tr>
<tr>
<td>Charges for having a payment refused</td>
<td>18%</td>
<td>11%</td>
<td>32%</td>
<td>18%</td>
<td>19%</td>
<td>3%</td>
<td>5.72</td>
</tr>
<tr>
<td>Unauthorised overdraft charges</td>
<td>17%</td>
<td>11%</td>
<td>34%</td>
<td>17%</td>
<td>17%</td>
<td>3%</td>
<td>5.63</td>
</tr>
<tr>
<td>Unauthorised overdraft interest rates</td>
<td>16%</td>
<td>12%</td>
<td>34%</td>
<td>18%</td>
<td>16%</td>
<td>3%</td>
<td>5.61</td>
</tr>
<tr>
<td>Cash incentives</td>
<td>16%</td>
<td>14%</td>
<td>42%</td>
<td>15%</td>
<td>11%</td>
<td>1%</td>
<td>5.23</td>
</tr>
</tbody>
</table>

Base: All respondents (2074)

2.82 In consumers’ own words...

'I would […] look for whether there was a branch that was convenient to home and then […] whether it was easy to transfer my standing orders and direct debits'

Non-switcher; charged

'I would only use someone like, who my family have been with and my friends have been with. I wouldn’t just […] go randomly up a high street and just walk into a bank.'

Low income; switcher

'I look very carefully at two things: customer service and the rates they pay, and whether they’ve had those rates for some time.'
Low income; charged

2.83 As is illustrated in the chart above, unauthorised overdraft charges are not rated as highly as most other aspects. Their importance does increase however among respondents that have experienced charges recently:

- Respondents that have been charged for a refused payment (7.07).
- Respondents that have been charged for exceeding their overdraft (7.21).
- Or have been charged for going overdrawn (6.92).

2.84 If those that said unauthorised overdraft charges were not important (1-4 on a 1-10 importance scale) a significant minority (ten per cent) have incurred some form of charge in the last 12 months and 12 per cent say they are at least sometimes overdrawn.

2.85 As well as the factors identified above, there are a number of other product considerations for consumers when choosing a current account. In some cases current accounts are linked to other financial products and are opened as a 'gateway' product to gain access to other types of product or service, for example:

'I opened it to get a loan to get a car.'

Non-switcher; not charged

'No, I'll tell you, I was saving up with the building society, with Maltham building society, and they couldn’t offer me a great deal, because I was on my own, I wanted to buy something on my own, which all those years ago, wasn’t that popular for, you know, a woman on her own, so I went to Yorkshire Bank and they did give me a mortgage'

Non-switcher; overdraft
Comparison with other providers

2.86 The extent to which consumers compare their own current account to alternative offers in the market is limited – only a fifth (19 per cent) of consumers says they have compared interest rates (on the credit in their account) between different providers in the last year.

Chart 2.21 – Comparison of rates and charges

<table>
<thead>
<tr>
<th>Thinking about charges and interest rates on current accounts, in the last 12 months have you compared…</th>
<th>20%</th>
<th>19%</th>
<th>17%</th>
<th>15%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest rates paid on the credit on your account between different types of current accounts offered by your existing provider</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest rates paid on the credit on your account between current accounts offered by different providers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges on different types of current accounts offered by your existing provider</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges between current accounts offered by different providers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Base: All current account holders (2074);

2.87 One-in-three (31 per cent) either agree strongly or agree to some extent that they are always on the look out for a better deal whilst 35 per cent of respondents either agree strongly or to some extent that they make a conscious effort to keep up to date with what other providers are offering.

2.88 Although there is a lack of active comparisons across current account providers, the majority of consumers (69 per cent) agree that there are probably better alternatives to their current account. There are obviously factors deterring consumers from taking the step to go and find the offers.
2.89 There are a number of factors contributing to this lack of engagement with current account offers:

- A perception that alternative current account offers are complex and can be confusing – 46 per cent feel overloaded by the amount of information available about current accounts.

- A perception that all current account offers are essentially very similar.

‘The only thing I would say is, looking at the charges, what other banks charge, Natwest or TSB or HSBC, they are charging roughly the same.

If there was a provider who instead of walloping me for 50 or 60 pounds, walloped me for five or 10 I would actually change. I really would change.’

Non-switcher; charged

- A lack of time available to research alternative offers – 63 per cent say they don’t have enough time to compare account offers and 76 per cent say shopping around for an alternative is too much hassle.
I am now going to read out some more statements about current accounts. Please tell me the extent to which you agree or disagree with each:

- I would be reluctant to leave a current account provider I trust for one I don’t know: 83%
- Shopping around for an alternative current account is too much hassle: 76%
- There are benefits to be gained by switching current account providers as the charges and interest rates vary between banks: 73%
- It is easy to find trusted information about current accounts: 63%

Base: All current account holders (2074);

2.90 Where comparisons are made however, the branch again plays an important role as a means of information as does the internet and again, recommendations from friends and family.

'I would use the internet and I would actually go in branch and get information.'

Non-switcher; overdraft

'My father who’s in the same bank advised me on it a few years ago and I said, alright, I’ll do that then'

Non-switcher; charged; overdraft

'I would only use someone like, who my family have been with and my friends have been with. I wouldn’t just […] go randomly up a high street and just walk into a bank.'

Switcher; low income
2.91 The actual sources of information used among consumers who have opened an account in the last 12 months are shown below:

**Chart 2.23 – Sources of information**

Thinking about the last time you opened a current account, which of the following, if any, did you find to be most important information sources?

- Bank branch (staff) 51%
- Word of mouth - Family and friends 43%
- Internet - bank websites 30%
- Bank leaflets 22%
- Word of mouth - Colleagues 18%
- Adverts 18%
- Internet - comparison websites 15%

Base: All current account holders who have opened an account in the last 12 months (259)

**Switchers**

2.92 As discussed, switching between current account providers is relatively unusual, particularly when compared to some other services. **Thirteen per cent of consumers have switched provider at least once in the last five years** compared to 61 per cent of car insurance holders, 46 per cent of home insurance holders and 56 per cent of gas users. Just six per cent of consumers say they have switched their main provider in the last year (this is respondent defined and will include instances in which the old account is kept open).
Chart 2.24 – Switching – a selection of other services (1)

I am now going to read out a number of services. For each, please tell me whether you hold them and if so, how many times, if at all, you have switched provider in the last 5 years.

<table>
<thead>
<tr>
<th>Service</th>
<th>Have never switched</th>
<th>Once</th>
<th>Twice</th>
<th>Three times</th>
<th>More than three times</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home insurance</td>
<td>52%</td>
<td>22%</td>
<td>17%</td>
<td>11%</td>
<td>9%</td>
</tr>
<tr>
<td>Gas</td>
<td>42%</td>
<td>25%</td>
<td>15%</td>
<td>13%</td>
<td>9%</td>
</tr>
<tr>
<td>Car insurance</td>
<td>38%</td>
<td>79%</td>
<td>7%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>Savings account</td>
<td>73%</td>
<td>69%</td>
<td>12%</td>
<td>7%</td>
<td>6%</td>
</tr>
<tr>
<td>Credit card</td>
<td>65%</td>
<td>62%</td>
<td>19%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Mobile tel.</td>
<td>26%</td>
<td>26%</td>
<td>19%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Mortgage</td>
<td>22%</td>
<td>22%</td>
<td>17%</td>
<td>11%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Base: All current account holders who have the product/service

5.10 Overall, 36 per cent of consumers have switched the provider of their main current account at least once. The main reasons for deciding to switch were:

- In order to get a better rate (14 per cent).
- As a result of a bad experience with their provider (12 per cent).
- Because charges were too high (11 per cent).
- Or because of poor customer service (nine per cent).

'Because of the charges they were making for an overdraft that I didn’t use. I just didn’t appreciate the situation until I moved.'

Low income; charged

---

7 This includes account holders who kept their old account open.
‘Basically, it was mainly the charges because before, I was in financial difficulty and used to find I spent quite a lot of time being overdrawn and that was one of the main reasons, to just try and come back into the black.’

Switcher; low income; charged

Switching services and problems

2.94 Relatively recently, banks and building societies have introduced switching services which switch regular payments and the balance from one account to the next automatically. Around half (53 per cent) of switchers used this type of banking switching services and the majority of switchers (70 per cent) said they experienced no problems during the switching process. This leaves however, a relatively significant minority that did experience some form of problem. Indeed, users of switching services were significantly more likely to have experienced problems than those that didn’t:

Chart 2.25– Switching problems

Did you experience any problems when switching the following?

<table>
<thead>
<tr>
<th>Category</th>
<th>All</th>
<th>Users of switching services</th>
<th>Non-users (excluding DKs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct debits</td>
<td>19%</td>
<td>10%</td>
<td>28%</td>
</tr>
<tr>
<td>Standing orders</td>
<td>12%</td>
<td>5%</td>
<td>18%</td>
</tr>
<tr>
<td>Balance</td>
<td>4%</td>
<td>2%</td>
<td>6%</td>
</tr>
<tr>
<td>Salary/benefits</td>
<td>3%</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Overdraft</td>
<td>3%</td>
<td>2%</td>
<td>5%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>2%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Didn’t experience any problems</td>
<td>71%</td>
<td>70%</td>
<td>80%</td>
</tr>
</tbody>
</table>

Base: All current account holders who have switched account in the last 5 years (267);
Ease of switching

2.95 In general, switchers felt it was easy to switch current account providers (82 per cent). However, 33 per cent of recent switchers said that they were fairly or very unlikely to recommend switching current account providers to others. The process itself took more than 10 working days for 36 per cent of recent switchers. The experiences of switchers suggest switching accounts is in the majority of cases relatively straightforward, but the perception remains among many consumers that the process of switching still has the potential to be both time consuming and problematic.

Number of providers compared

2.96 The number of alternative providers that are compared when a decision is made to switch current account provider is not always especially high (especially bearing in mind the number of potential account providers that are active in the market). Among those that have switched, 43 per cent only considered one provider. On average, respondents compared 2-3 providers before deciding on which current account provider to switch to. One potentially easy way of comparing a number of providers at once may be a comparison website. Around a fifth (16 per cent) of respondents used a price comparison website to compare providers the last time they switched.

2.97 Around half (53 per cent) of consumers who have switched account provider say they kept their old account open. This tends to be because they still use the account for example to pay bills (18 per cent), they have kept it open for emergencies (12 per cent) or because they have an outstanding overdraft or owe the initial provider money (11 per cent).
Non switchers

Chart 2.26 – Reasons for not switching

Why have you never switched current account provider?

- Happy with current provider: 48%
- Have never wanted to: 24%
- Have never thought about it: 14%
- Too complicated: 9%
- No significant benefits: 8%

Base: All current account who have never switched provider (1328);

2.98 The quantitative research probed those consumers that have never switched account provider as to why this was the case. As shown above, almost half (48 per cent) said they were happy with their current provider, around a quarter (24 per cent) said they had never wanted to switch provider.

2.99 Interestingly, the majority of consumers who have never switched provider say they have never even considered switching (74 per cent)\(^8\). Of those that have considered switching, the most commonly cited reasons for then deciding not to do so are identical to the barriers to comparing account providers discussed early in the report - 23 per cent found the process too complicated -or thought it would be too complicated - and 13 per cent were too busy to switch.

---

\(^8\) We asked those who had never switched if they had ever considered switching bank. Seventy four per cent said they had not – this is 47 per cent of the total sample.
Chart 2.27 - Reasons for not switching – non-switchers who considered switching

Why did you decide not to switch current account provider?

- Too complicated: 23%
- No time/too busy: 13%
- Happy with current provider: 11%
- Easier to stay: 9%
- Wary of switching: 9%
- No advantages: 7%
- Too lazy: 7%

Base: All current account who have never switched account provider but have considered doing so (349);

2.100 In general, switching is viewed as being too complicated or too much of an effort…

'The fact that these accounts were opened up so long ago, and the fact that I haven’t changed them is just down to pure laziness.'

Non-switcher; charged

…with some respondents believing there is not enough differentiation between current account offers to make switching worthwhile.

They are all much of a muchness to be perfectly honest. I suppose there is a quarter percent between any of the main large branches, there’s not a great deal to choose from and I think they are all much of a muchness. Credit or interest due on balances on current accounts are much the same.
wherever you go - any one of those big five are much the same. I tend to think they are all around 3.25 to 3.5 per cent.

Low income; charged

2.101 The qualitative research highlighted the fact that consumers are fearful of regular payments being missed if they have moved account - a fear that is not wholly misplaced given that this was the most common problem experienced by those that have switched.

‘Are there any particular worries you would have?’

Maybe about a standing order or a direct debit not being paid, something like that. So I’m not totally convinced by the publicity of how easy it is, but maybe that’s just me. ’

Non-switcher; charged; overdraft

Really? So you think it would be quite difficult to switch current accounts?

What the problem would be, I think, would be getting all our direct debits done. For anything not to be paid, that would be my biggest fear. I’d probably stick with them really.

Non-switcher; overdraft
3 CONCLUSIONS

3.1 Consumers are less inclined to switch PCA provider than for some other important services. This is due to a number of factors:

- general apathy - customers find it hard to find the time or lack the inclination to compare different current accounts offers
- consumers are wary of the switching process - only half (52 per cent) of non-switchers feel the process would run smoothly if they were to switch current account provider
- there is a worry that the process of changing current account provider will be time consuming
- but also that mistakes will be made during the switching process, and
- customers are, in the main, quite satisfied with their providers - 48 per cent of those who have never switched have not done so because they like their current provider (24 per cent have just never wanted to switch).

3.2 In short, many consumers feel the differentiation between offers, or the benefits of moving provider, are not sufficient to offset the potential time and effort involved in making the switch.

3.3 Those that have switched have done so generally because of 'push' rather than 'pull' factors:

- poor customer service
- charges too high, and
- problems encountered in switching or bad experiences.
3.4 Consumers say they are prepared to leave if they feel they have been treated unfairly.

3.5 Charging is seen as a necessary measure to discourage consumers from abusing overdrafts - even among those that have been charged. However, current levels of charges are thought to be excessive, a view that has been heightened by recent media coverage.

3.6 The emergence of internet banking is apparent - its use is not as widespread as branch banking, but those that do tend to use it have a higher frequency of contact than branch customers or telephone banking customers.

3.7 The branch however remains the most important channel for the majority of consumers. Consumers value the face-to-face contact and it is both a key source of information for those considering switching and a key consideration when choosing an account provider.
APPENDIX

A. STATISTICAL RELIABILITY

A.1 The respondents to the questionnaire are only a sample of the total 'population', so we cannot be certain that the figures obtained are exactly those we would have if everybody had been interviewed (the 'true' values). We can, however, predict the variation between the sample results and the 'true' values from a knowledge of the size of the samples on which the results are based and the number of times that a particular answer is given. The confidence with which we can make this prediction is usually chosen to be 95 per cent - that is, the chances are 95 in 100 (or 19 in 20) that the 'true' value will fall within a specified range. The table below illustrates the predicted ranges for different sample sizes and percentage results at the '95 per cent confidence interval'.

<table>
<thead>
<tr>
<th>Approximate sampling tolerances applicable to percentages at or near these levels</th>
<th>10% or 90%</th>
<th>30% or 70%</th>
<th>50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>50 interviews</td>
<td>8</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>100 interviews</td>
<td>6</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>250 interviews</td>
<td>4</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>500 interviews</td>
<td>3</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>750 interviews</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1,000 interviews</td>
<td>2</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>2,000 interviews</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>3,000 interviews</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

A.2 For example, with a sample size of 500 where 30 per cent give a particular answer, the chances are 19 in 20 that the 'true' value (which would have been obtained if the whole population had been interviewed) will fall within the range of ±4 percentage points from the sample result (that is, the range is 26 to 34 per cent).
A.3 When the results are compared between separate groups within a sample, different results may be obtained. The difference may be 'real,' or it may occur by chance (because not everyone in the population has been interviewed). To test if the difference is a real one – that is, if it is 'statistically significant', we again have to know the size of the sub-samples, the percentage giving a certain answer and the degree of confidence chosen.

A.4 If we assume '95 per cent confidence interval', the differences between the two sample results must be greater than the values given in the table below:

<table>
<thead>
<tr>
<th>Differences required for significance at or near these percentage levels</th>
<th>10% or 90%</th>
<th>30% or 70%</th>
<th>50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>±</td>
<td>±</td>
<td>±</td>
<td></td>
</tr>
<tr>
<td>100 and 100</td>
<td>7</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>100 and 250</td>
<td>7</td>
<td>10</td>
<td>11</td>
</tr>
<tr>
<td>250 and 250</td>
<td>6</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>250 and 500</td>
<td>4</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>500 and 500</td>
<td>4</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>500 and 1,000</td>
<td>3</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>1,000 and 1,000</td>
<td>3</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>2,000 and 3,000</td>
<td>2</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>
B. QUANTITATIVE QUESTIONNAIRE

OFFICE OF FAIR TRADING
CURRENT ACCOUNT RESEARCH
FINAL

INTRODUCTION
ASK TO SPEAK TO NAMED RESPONDENT
Good morning/afternoon/evening, my name is..... and I’m calling on behalf of Ipsos MORI, the independent market research agency. We are conducting a survey about how people use their current accounts on behalf of an independent government organisation. Interviews on average take around 20 minutes, and we will reveal the name of the client towards the end of the survey. Would you be able to help?

ADD AS NECESSARY:
- all your answers will be treated in the strictest confidence according to the MRS Code of Conduct
- nobody will try to sell you anything as a result of this interview

Q1 First of all, please could you tell me how many current accounts you hold. By a current account I mean any account which has such facilities or features as

   A Cash Machine Card.
   A Debit Card (e.g. Switch, Maestro, Connect, Visa Delta, Solo).
   A Cheque Book.

Please include any accounts that you hold jointly with another person, but please do not include savings accounts. SINGLE CODE
• 1
• 2
• 3 or more
• I don’t have a current account (CLOSE)
• Don’t know (CLOSE)
• Refused (CLOSE)

ASK ALL WHO HAVE AT LEAST ONE CURRENT ACCOUNT (CODES 1-3 AT Q1)

Q2 With which organisation do you hold your (main) current account? IF MORE THAN ONE ACCOUNT HELD, ADD: By main account we mean the current account you use most often. UNPROMPTED. PROBE WITH CODES IF NECESSARY

• Abbey (Not Cahoot)
• Alliance & Leicester
• Bank of Scotland
• Barclays
• Cahoot
• Citibank
• Clydesdale
• Co-operative Bank
• First Direct
• Halifax
• HSBC
• Intelligent Finance (IF)
• LloydsTSB
• Nationwide
• NatWest
• Post Office
• Royal Bank of Scotland
• smile
• One Account (previously Virgin One)
• Woolwich
• Yorkshire Bank
• Other (Please specify)
• Don’t know
Q2a Is this a joint account? IF YES ADD: Did you open the account yourself?
SINGLE CODE

- Yes – I opened it myself
- Yes – someone else opened it for me (CLOSE)
- No

Q3 And when did you open your main current account? Was it...
PROBE AS NECESSARY USING CODES BELOW. SINGLE CODE

- In the last 12 months
- 1-2 years ago
- 3-5 years ago
- 6-10 years ago
- more than 10 years ago
- Don’t know

ALL WITH MORE THAN ONE CURRENT ACCOUNT

Q3b And when did you open your [SECOND; THIRD - ADD AS NECESSARY] current account? Was it...
PROBE AS NECESSARY USING CODES BELOW. SINGLE CODE

- In the last 12 months
- 1-2 years ago
- 3-5 years ago
- 6-10 years ago
- more than 10 years ago
- Don’t know

Q4: Which of the following statements best describes the circumstances in which your main account was opened? READ OUT. SINGLE CODE

- It was your first ever current account
- It was transferred from one type of current account to another at the same organisation
- It was transferred from a different organisation
- It was opened in addition to an existing current account
Q5 Which of the following best describes your main current account? READ OUT. SINGLE CODE

- An account without a regular charge - a current account that offers the option of having a debit card and an overdraft but will not charge you as long as your account is in credit
- Packaged - by packaged account, we mean an account which charges a regular fee for additional benefits such as free travel insurance, free mobile phone insurance, preferential interest rates and other benefits
- Basic bank account - a current account that has no monthly charge but does not offer cheque books or overdrafts
- Other (please specify)
- Don’t know

ASK ALL WITH A PACKAGED ACCOUNT (CODE 2 AT Q5)

Q6 Why did you decide to take out a packaged account? DO NOT PROMPT MULTICODE OK

- I liked the additional services it provided
- Better value than paying for the additional services separately
- To get preferential rates on other products
- Recommended by my bank
- Recommended by a friend
- Recommended by an IFA
- Recommended by someone/somewhere else
- Automatic transfer (e.g. when a student or graduate current account expired)
- Other (please specify)
- Don’t know
ASK ALL

Q7 Still thinking about your main current account, how many times, if at all, during the last 12 months would you say your bank has refused to make a payment because you have had insufficient funds in your account?

SINGLE CODE READ OUT

- Once in the last 12 months
- 2 or 3 times in the last 12 months
- 4 to 10 times in the last 12 months
- more than 10 times in the last 12 months
- My bank hasn’t refused a payment in the last 12 months
- Don’t know (DO NOT READ OUT)

ASK ALL EXCEPT THOSE WITH A BASIC BANK ACCOUNT AT Q5 (EXCLUDE Q5 CODE 3)

Q8 Thinking again about your main current account, do you have an authorised overdraft facility on this account? By authorised overdraft facility we mean a facility arranged with your bank that allows you to overspend your account balance by up to an agreed amount. SINGLE CODE

- Yes
- No
- Don’t know

ASK ALL WHO HAVE AN OVERDRAFT

Q9 And thinking about your overdraft on your main current account, which of the following would you say best applies to you? SINGLE CODE READ OUT

- I am permanently overdrawn
- I am usually overdrawn
- I am sometimes overdrawn
- I am rarely overdrawn
- I am never overdrawn
- Don’t know
Q10 And how many times, if at all, would you say you have exceeded your authorised overdraft limit in the last 12 months? SINGLE CODE READ OUT

- Once in the last 12 months
- 2 or 3 times in the last 12 months
- 4 to 10 times in the last 12 months
- more than 10 times in the last 12 months
- I haven't exceeded my overdraft limit in the last 12 months
- Don't know (DO NOT READ OUT)

LOOP Qs 11 - 15 ON ALL WHO EXCEEDED LIMIT IN THE LAST 12 MONTHS (CODES 1-4 AT Q10) AND ALL WHOSE BANK REFUSED TO MAKE A PAYMENT BECAUSE OF INSUFFICIENT FUNDS (CODES 1-4 AT Q7). LOOP AS COMPLETE SETS OF QUESTIONS IF RESPONDENT HAS DONE BOTH I.E. 11-15 FOLLOWED BY 11-15

Q11 Thinking about the last time you exceeded your authorised overdraft limit/the last time a payment was refused. Why did it happen? UNPROMPTED MULTICODE

- Didn’t check account
- Knew it would happen but needed to make a payment
- Forgot about a payment that came out of the account
- I Expected to receive a payment that didn’t come in time
- Forgot to make a payment into the account
- Incoming payment took longer to clear than expected
- Outgoing payment took less time to clear than expected
- Had to make an unexpected payment
- I received a charge from my bank that pushed me over my overdraft limit
- Other
- Don’t know/Can't remember

LEAVE OPEN-ENDED FOR RESPONDENTS WHO HAVE HAD A PAYMENT REFUSED
Q12 Were you charged by your bank for exceeding your authorised overdraft limit/attempting to make a payment with insufficient funds on this last occasion or any other occasions during the past year? SINGLE CODE

- Yes
- No
- Don’t know

ASK ALL WHO HAVE BEEN CHARGED FOR EXCEEDING THEIR OVERDRAFT LIMIT (CODE 1 AT Q12)

Q13 How much in total would you say you have been charged by your bank for exceeding your authorised overdraft limit/attempting to make payments with insufficient funds in the last year? Would you say it was... SINGLE CODE READ OUT

- Under £50
- £51 - £100
- £101 - £200
- £201 - £300
- More than £300
- Don’t know (GO TO Q13B)

Q13a How sure are you about the answer you just gave to this question? Would you say... READ OUT SINGLE CODE

- You know its right
- You think its right
- It’s just a guess
- Don’t know

Q13b Thinking again about the last time you were charged by your bank for exceeding your overdraft limit/attempting to make payments with insufficient funds, did you ask your bank to refund these charges?

- Yes - at the time of the charges/shortly after I was charged
- Yes - but a while after the charges were made
- No I didn’t ask for a refund
Don’t know

ASK ALL Q13b CODES 1-2

Q13c Did your bank refund any of the charges for exceeding your overdraft limit/attempting to make payments with insufficient funds?

- Yes - all of the charges
- Yes - some of the charges
- No - my bank did not refund any of the charges
- Still waiting for a response
- Don’t know

ASK ALL Q12 CODE 1

Q14 Thinking about when you first knew that you’d been charged by the bank for exceeding your authorised overdraft limit/attempting to make payments with insufficient funds, were you aware that these charges existed before you were charged? SINGLE CODE

- Yes - I was aware of the charges
- No - I didn’t know the charges existed before I was charged
- Don’t know/Can’t remember

Q15 Were you told by your bank about the charges for exceeding your authorised overdraft limit/attempting to make payments with insufficient funds before they were applied? SINGLE CODE

- Yes - I was warned about the charges
- No - I was given no warning before the charges were applied
- Don’t know/Can’t remember

ASK ALL WHO DON’T HAVE AN OVERDRAFT FACILITY (CODE 2 AT Q8) or HOLD A BASIC BANK ACCOUNT (CODE 3 AT Q5)

Q16 How many times would you say you have been overdrawn in the last 12 months? SINGLE CODE READ OUT

- Once in the last 12 months
- 2 or 3 times in the last 12 months
- 4 to 10 times in the last 12 months
- more than 10 times in the last 12 months
- I haven’t been overdrawn in the last 12 months
- Don’t know

IF BEEN OVERDRAWN IN THE LAST 12 MONTHS BUT DON’T HAVE AN OVERDRAFT FACILITY (CODES 1-4 AT Q16)

Q17 Thinking about the last time you went overdrawn. Why did it happen? UNPROMPTED

- Didn’t check account
- Knew it would happen but needed to make a payment
- Forgot about a payment that came out of the account
- I expected to receive a payment that didn’t come in time
- Forgot to make a payment into the account
- Incoming payment took longer to clear than expected
- Outgoing payment took less time to clear than expected
- Had to make an unexpected payment
- I received a charge from my bank that pushed me into an overdraft
- Other
- Don’t know/Can’t remember

Q18 Were you charged by your bank for going overdrawn on this last occasion or on any other occasions during the past year? SINGLE CODE

- Yes
- No
- Don’t know

ASK ALL WHO HAVE BEEN CHARGED FOR GOING OVERDRAWN (CODE 1 AT Q18)

Q19 How much in total would you say you have been charged by your bank for going overdrawn in the last year? Would you say it was... SINGLE CODE READ OUT

- Under £50
Q20 Thinking about when you first knew you'd been charged by the bank for going overdrawn, were you aware that these charges existed before you were charged? SINGLE CODE

- Yes - I was aware of the charges
- No - I didn’t know the charges existed before I was charged
- Don’t know/can’t remember

Q21 Were you warned by your bank about these charges before they were applied? SINGLE CODE

- Yes - I was warned about the charges
- No - I was given no warning before the charges were applied
- Don’t know/can’t remember

ASK ALL

Q22 I’d now like you to think about what you took into consideration when you opened your main current account. What factors would you say were most important to you when deciding which current account provider to use?

DO NOT PROMPT

- **Recommendation**
  Recommended to me by friends and family
  Recommendation/Endorsement in newspaper/magazine
  Recommendation/Endorsement on best buy/money aggregator website
  Recommendation/Endorsement on TV
  Parents/other family banked there
  Professional advice
  Husband/wife/partner had an account there

- **Location**
  Near where I live/lived
  Near where I work/studied etc.
- **Account features**
  Competitive interest rates
  Availability of telephone banking
  Availability of PC/Internet banking
  Lower charges/free/low charge overdraft
  Availability of a particular type of account
  Open longer hours/open Saturday
  Best range of products and services
  Size of overdraft
    - **Other reasons**
      Already had an account/mortgage there
      Worked there/knew someone who worked there
      My/my partner’s employer arranged for my salary to be paid there
      Free gifts/incentives
      Political/Ethical reasons
      Image/reputation of the provider
      Best student account package
      Other reason (Please specify)
      Don’t know/can’t remember

Q23 I **would now like you to imagine that you are thinking about opening a new main current account. For each of the following, please tell how important each aspect would be to you when choosing a new main current account.**

Please use a scale of one to ten where 10 is extremely important and 1 is not at all important. READ OUT EACH ITEM AND SINGLE CODE 1-10 RANDOMISE ORDER

- Able to use telephone banking
- Interest rate when your balance is in credit
- Able to use internet banking
- **Authorised Overdraft interest rates** - The rate of interest the bank would charge you on an overdraft balance that is within any pre-agreed overdraft limit
- Easy access to a local branch
- **Unauthorised Overdraft interest rates** - The rate of interest the bank would charge you on an unauthorised overdraft balance
- standard of customer service
- good range of services
- Unauthorised Overdraft charges - A fixed charge that the bank would make for an unauthorised overdraft balance. This would be in addition to any interest that they may charge
- A recommendation (for example from a best buy table)
- Charge for having a payment refused due to insufficient funds e.g. bounced cheques
- Good/clear switching procedures
- Cash incentives to join/switch

Q23a I am now going to read out a number of statements about current accounts. Please tell me the extent to which you agree or disagree with each. PROMPT: Is that Agree/Disagree strongly or to some extent? ROTATE ORDER OF STATEMENTS

- I am always on the look out for a better deal
- I make a conscious effort to keep up to date with what other providers are offering
- I would switch current account provider if it were free and easy to do so
- There are probably better alternatives to my existing current account

Strongly agree
Agree to some extent
Disagree to some extent
Disagree strongly
No opinion/Don't know (DO NOT READ OUT)

Q24 And how often would you say you currently use [TELEPHONE/INTERNET/INBRANCH BANKING]? Would you say you use it... READ OUT AND SINGLE CODE FOR EACH CHANNEL

- Every day
- Two or three times a week
- Once a week
- Less than once a week but at least once a month
• Less than once a month but at least once every six months
• Less than once every six months but at least once a year
• Less than once a year
• Never
• Don’t know

ALL WHO USE IN BRANCH BANKING

Q24a Thinking generally, what do you to you tend to use in branch banking for? MULTICODE

• Withdrawing money
• Depositing money
• Depositing cheques
• Visiting an adviser
• Paying bills
• Amending Standing orders
• To sort out a problem/complaint
• Other (please specify)
• Don’t know

ASK ALL WHO DO NOT IDENTIFY Unauthorised overdraft CHARGES AS AN IMPORTANT CONSIDERATION AT Q23 -. GIVE IT A SCORE OF LESS THAN 5

Q25 Earlier, you didn’t identify Unauthorised Overdraft Charges as an important consideration when opening a new main current account. Why is that? DO NOT PROMPT INTERVIEWER ADD IF NECESSARY - unauthorised overdraft charges are a fixed charge that the bank would make for an unauthorised overdraft balance. This would be in addition to any interest that they may charge

• Never have an overdraft
• Didn’t/Don’t expect to breach my authorised overdraft
• Didn’t/Don’t consider charges important
• Don’t expect to go overdrawn
• Just didn’t think about them
• Do not understand how the charges work/are applied
• Other (Specify)
• Don’t know

ASK ALL WHO DO NOT IDENTIFY CREDIT INTEREST RATES AS AN IMPORTANT CONSIDERATION AT Q23 -. GIVE IT A SCORE OF LESS THAN 5

Q25b Earlier you didn’t identify credit interest rates as an important consideration when opening a new current account. Why is that? DO NOT PROMPT
• Don’t keep much money in my account
• Didn’t/Don’t consider interest on a current account important
• Just didn’t think about them
• Use other accounts/products to earn interest
• Do not understand how interest rates work/are applied
• Other (please specify)
• Don’t know

ASK ALL

Q26. Thinking about charges and interest rates on current accounts, in the last 12 months have you compared... SINGLE CODE EACH STATEMENT

| charges between types of current accounts offered by your existing current account provider | Yes | No | DK |
| charges between current accounts offered by different providers | Yes | No | DK |
| Interest rates paid on the credit in your account between types of current accounts offered by your existing current account provider | Yes | No | DK |
| Interest rates paid on the credit in your account between current accounts offered by different providers | Yes | No | DK |
Q27  What prompted you to do this? OPEN ENDED - ASK OF EACH STATEMENT ABOVE THAT RESPONDENT HAS ANSWERED 'YES' TO

ASK ALL THAT HAVE OPENED A CURRENT ACCOUNT IN THE LAST 12 MONTHS

Q28 Thinking about the last time you opened a current account, which of the following, if any, did you find to be most important information sources? READ OUT MULTICODE (CCNI, not all categories):

- Bank branch (discuss with staff)
- Bank leaflets/promotional materials
- Newspapers/magazines
- Internet - bank websites
- Internet – comparison sites
- Internet - other financial services websites
- Word of mouth – family and friends
- Word of mouth - colleagues
- Adverts (TV, radio etc)
- IFA (Independent Financial Adviser)
- None of these
- Other (Please specify)
- Don’t know

ASK ALL

Q29 How much would you say you are charged on your main current account for going into unauthorised overdraft. We are interested in any fixed charges that might apply, not the interest they may charge you on the balance.

RECORD AMOUNT

Q29b What is the interest rate on your main current account for when your balance is in credit?
RECORD INTEREST RATE

ASK ALL APART FROM DKs AT Q29b

Q30 How sure are you about the answer you just gave to this question? Would you say... READ OUT SINGLE CODE

- You know its right
- You think its right
- It’s just a guess
- Don’t know

Q31 Thinking about your main current account provider [TEXT SUB PROVIDER]. How do you think your bank’s charges for going into unauthorised overdraft compare to those of other banks? Do you think they are... READ OUT SINGLE CODE

- More than the charges of most other banks
- Less than the charges of most other banks
- The same as the charges of most other banks
- Don’t know

Q34 I’d now like you to rate your main current account provider on a scale of 1 to 10 where one is very poor and 10 is very good for each of the following aspects. READ OUT ASPECTS; SINGLE CODE EACH RANDOMISE ITEMS

- Fairness of charges
- Overall value for money
- Customer service
- Treating you fairly overall

NOTE TO DP - ADD A DK OPTION FOR EACH ASPECT

Q35 How familiar or otherwise would you say you are with the services offered by banks to help you switch your current account? By switching service we mean a service that switches all your regular payments and balance to your new account automatically. Would you say you... READ OUT; SINGLE CODE
- Know a lot about switching services
- Know a little about switching services
- Have heard of switching services but don’t know about them
- Have never heard of switching services offered by banks
- Don’t know (DO NOT READ OUT)

Q36 How many times, if at all, have you ever switched the provider of your current account?

- Once
- Twice
- Three times
- Four times
- Five times
- Six times
- More than six times
- I have never switched provider
- Don’t know

ALL WHO HAVE NEVER SWITCHED PROVIDER (CODE 8 AT Q36)

Q37 Why have you never switched current account provider? MULTICODE PROBE WITH CODES IF NECESSARY

- Too time consuming
- I like my current provider
- No significant benefits to be gained by switching provider
- Never thought about it
- Too much could go wrong
- Too complicated
- Haven’t got time
- Have never wanted to
- Concerns about effect on credit rating
- Not being able to get same sized overdraft
- Not being able to get an overdraft at all
- I didn’t know you could switch provider
- Other (please specify)
- Don’t know
ALL WHO HAVE NEVER SWITCHED PROVIDER (CODE 8 AT Q36)

Q37a If you were to switch current account provider, how confident or otherwise would you be that it would go smoothly? Would you say you would be… READ OUT SINGLE CODE

- Very confident
- Fairly confident
- Not very confident
- Not at all confident
- Don’t know (DO NOT READ OUT)

ASK ALL WHO SWITCHED AT LEAST ONCE (CODES 1-7 AT Q36)

Q38 And when was the last time you switched provider?

- In the last six months
- more than 6 months ago up to a year ago
- More than a year ago, up to 2 years ago
- More than 2 years ago, up to 5 years ago
- More than 5 years ago, up to 10 years ago
- More than 10 years ago, up to 20 years ago
- 20 years ago or more
- Don’t know

ASK 38a - 48 OF ALL WHO HAVE SWITCHED WITHIN THE LAST 5 YEARS (CODES 1 - 4 AT Q38)

Q38a Did you use a price comparison website to compare current accounts last time you switched provider?

- Yes
- No
- Don’t know
Q39 Again, thinking of this most recent occasion when you switched, how many suppliers in total, including your new provider, did you consider when looking for a new current account provider? SINGLE CODE

- One
- Two
- Three
- Four
- Five
- More than Five
- Don't know

Q40 When switching account providers, did you use a switching service offered by the bank you were switching to? By switching service we mean a service that switches all your regular payments and balance to your new account automatically. SINGLE CODE

- Yes
- No
- Don't know

Q41 As far as you can remember, how long did the switching process take in total, from filling in your application form to being able to use your new account? Would you say it took... READ OUT SINGLE CODE

- 10 working days or less
- More than 10 working days
- Don't know

Q42 Did you experience any problems when switching the following? READ OUT; PROMPT: Any other problems? REVERSE ORDER

- Direct debits
- Standing orders
- Salary/benefits
- Balance
- Overdraft
- Any other problems (PLEASE SPECIFY)
• No - didn’t have any problems
• Don’t know

ALL WHO HAVE experienced problems (CODE 1-6 at Q42)

Q42a And Were these problems resolved to your satisfaction?
• Yes - all were resolved to my satisfaction
• Yes - some were resolved to my satisfaction
• No
• Not yet resolved

ASK ALL WHO SWITCHED AT LEAST ONCE (CODES 1-7 AT Q36)

Q43 Overall, how easy or difficult would you say it was to switch current account providers? Would you say it was SINGLE CODE REVERSE ORDER

• Very easy
• Fairly easy
• Fairly difficult
• Very difficult
• No opinion
• Don’t know

Q44 Overall, how likely or unlikely would you say you would be to recommend switching current account providers to others? Would you say you would be… SINGLE CODE REVERSE ORDER

• Very likely
• Fairly likely
• Fairly unlikely
• Very unlikely
• No opinion
• Don’t know

Q45 And why do you say that? OPEN ENDED

Q46 What would you say was your main reason for switching current account providers? OPEN ENDED PROMPT: Any other reasons
RECORD FIRST AND SUBSEQUENT MENTIONS

Q47 After you had switched current account provider, did you keep your old account open?
   • Yes
   • No
   • Don’t know
ASK ALL WHO KEPT THEIR OLD ACCOUNT OPEN

Q48 Why did you choose to keep your old account open? OPEN ENDED

ASK ALL WHO HAVE NEVER SWITCHED CURRENT ACCOUNT PROVIDER

Q49 Have you ever considered switching current account provider? READ OUT
   • Yes - In the last year
   • Yes - In the last two years
   • Yes - in the last 2-5 years
   • Yes - but more than 5 years ago
   • No - never considered switching

ALL WHO HAVE CONSIDERED SWITCHING PROVIDER

Q50 Why did you decide not to switch provider? OPEN ENDED
Q51 I am now going to read out a number of services. For each, please tell me whether you hold them and if so, how many times, if at all, you have switched provider in the last 5 years. *(NCC)* READ OUT; SINGLE CODE EACH SERVICE –

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<th>Service</th>
<th>Once</th>
<th>Twice</th>
<th>Three times</th>
<th>Four times</th>
<th>Five times</th>
<th>More than five times</th>
<th>Have this product/service but have never switched provider</th>
<th>Don’t have that product/service</th>
<th>Don’t know</th>
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</table>
Q52 I am now going to read out some more statements about current accounts. Please tell me the extent to which you agree or disagree with each. READ OUT EACH STATEMENT. SINGLE CODE EACH REVERSE ORDER OF STATEMENTS

'I would be reluctant to leave a current account provider I trust for one I don't know'
'There is nothing to gain from switching current account providers as the level of service at all banks is the same'
'There are benefits to be gained by switching current account providers as the charges and interest rates vary between banks'
'Shopping around for an alternative current account is too much hassle'
'I don't have time to research the differences different current account providers'
'I don't know enough to be able to choose between current account providers'
'It is easy to find trusted information about current accounts'
'I feel overloaded by the amount of information available about current accounts'

- Strongly agree
- Agree to some extent
- Disagree to some extent
- Disagree strongly
- No opinion/Don’t know (DO NOT READ OUT)

I’d now like to ask you some questions about your statements for your main current account.
Q57 In general, how do you usually receive your current account statements? MULTICODE OK

- Paper
- Online
- I don’t receive statements
- Don’t know

Q58 Which of the following best describes what you do generally with your bank statements? READ OUT

- I read the statements that I receive thoroughly
- I check the details but I do not read thoroughly
- I only read or check them if I have a problem with my finances
- I never read or check them
- Don’t know

ALL THOSE WHO NEVER READ OR CHECK THEIR STATEMENTS (CODE 4 AT Q58)

Q58a Why do you never read or check your bank statements? OPEN ENDED

Q59 And thinking generally about other material you receive from your bank such as product information, interest rate change leaflets etc. How often would you say you read these? Would you say you read them... READ OUT SINGLE CODE

- Always
- Sometimes
- Rarely
- Never
- Don’t know (DO NOT READ OUT)
- Depends (DO NOT READ OUT)

Thank you for taking part in the research, your time is greatly appreciated. I can now reveal that we are conducting these interviews on behalf of the Office of Fair Trading who are conducting a study to examine consumers’ experiences in the current account market. To help us analyse the results, we’d like to ask you a few classification questions. Once again, all your responses will remain completely anonymous.
Demographics

1. Which of the following age bands do you fall into? PROMPT TO BAND IF NECESSARY.

- 16 - 24
- 25 - 34
- 35 - 44
- 45 - 54
- 55 - 64
- 65 +
- Refused

2. Record Gender

- Male
- Female

3. Record Location from sample

- Scotland
- North East
- North West
- Yorkshire & Humberside
- East Midlands
- West Midlands
- Wales
- South West
- East
- London
- Rest of South East

4. Could you tell me whether your home is... READ OUT; SINGLE CODE

- Being bought on mortgage
- Owned outright by household
- Rented from Local Authority
- Rented from Housing Association/Trust
- Rented from private landlord

Prepared for the OFT by Ipsos MORI 89
5. I’d now like to ask about your working status. Are you..... READ OUT; SINGLE CODE

- Working full time (30hrs/wk +)
- Working part time (8-29 hrs/wk)
- Not working (i.e. under 8hrs/week)- housewife
- Not working (i.e. under 8hrs/week)- retired
- Not working (i.e. under 8 hrs/week)- unemployed (registered)
- Not working (i.e. under 8 hrs/week)- unemployed (not registered but looking for work)
- Not working (i.e. under 8hrs/week)- student
- Not working (i.e. under 8hrs/week)- other (incl disabled)
- Refused/don't know

6. And what is the occupation of Chief Income Earner in your household?

PROBE: Position/rank/grade
PROBE: Industry/type of company
PROBE: Qualifications/degrees/apprenticeships
PROBE: No of staff responsible for
PROBE FULLY FOR PENSION

Code social grade
A
B
C1
C2
D

7. Which of these best describes your ethnic or racial group? READ OUT; SINGLE CODE

- White - British
- White - Irish
- White - Other
• White and Black Caribbean
• White and Black African
• White and Asian
• Any other mixed background
• Indian
• Pakistani
• Bangladeshi
• Any other Asian background
• Caribbean
• African
• Any other black background
• Chinese
• Polish
• Any other Eastern European
• Any other background
• Refused

8. Please tell me which of the following, if any, is the highest educational or professional qualification you have obtained. (IF STILL STUDYING, PLEASE ALSO CODE HIGHEST ACHIEVED SO FAR)

• GCSE/O-Level/CSE
• Vocational qualifications (= NVQ1 + 2)
• A-Level or equivalent (= NVQ3)
• Bachelor Degree (B.A./B.Sc.) or equivalent (= NVQ4)
• Masters/PhD or equivalent
• City & Guilds
• GNVQ
• No formal qualifications
• Still studying
• Others
• Refused

9. Thinking about the total value of your household savings and investments (excluding pensions, insurance policies and property), how much would you say you have? It doesn’t matter if you’re not sure, please give your best estimate. SINGLE CODE READ OUT
10. In which of the following groups would you place your total household income from all sources, before tax and other deductions? SINGLE CODE

- £0 - 9,999
- £10,000 - 19,999
- £20,000 - 29,999
- £30 - 39,999
- £40k - 49,999
- £50,000 - 74,999
- £75,000 - 99,999
- £100,000 +

11. Do you use the internet, either at home, work or elsewhere?

- Yes
- No

Thank you very much for helping us with our research. We are conducting some further research on behalf of the Office of Fair Trading into some of the areas covered in this interview. Over the next two or three weeks, Ipsos MORI might like to contact you by phone to arrange an in depth interview with you about your current account. The interview is likely to take 30 minutes and all your responses will of course remain anonymous. Would you be interested in taking part?

- Yes
- No
- Don’t know
IF YES INTERVIEWER RECORD NAME AND PREFERRED TELEPHONE NUMBER